**Statement**

*Sectorwise Exports*

1997-98 to 1999-2000

Rs. in Crore

| | | 1997-98 | 1998-99 | 1999-2000 |
|---|---|---|---|---|
| A. | Electronic Hardware | | | |
| 1 | Consumer Electronics (% Growth) | 370 | 425 | 450 |
| | | -(43.94) | (14.86) | (5.88) |
| 2 | Telecom Equipment (% Growth) | 300 | 250 | 180 |
| | | -(7.41) | -(16.67) | -(28.00) |
| 3 | Instruments/Office Eqpt. Medical | 240 | 175 | 170 |
| | Eqpt. (% Growth) | (36.36) | -(27.08) | -(2.86) |
| 4 | Electronic Component (% Growth) | 800 | 900 | 1200 |
| | | (25.59) | (12.50) | (33.33) |
| 5 | Computer Hardware & Peripherals | 1100 | 300 | 600 |
| | (% Growth) | -(17.48) | -(72.73) | (100.00) |
| | Sub Total (A) | 2810 | 2050 | 2600 |
| | (% Growth) | -(10.22) | -(27.05) | (26.83) |
| B. | Compter Software & Services | 6800 | 12500 | 17300 |
| | (% Growth) | (65.33) | (83.82) | (38.40) |
| C. | Telecom Services & Project Export | 2600 | 2800 | 3400 |
| | (% Growth) | 50.55) | (7.69) | (21.43) |
| D. | Video Film Software | 230 | 425 | 725 |
| | (% Growth) | (84.78) | (70.59) | |
| | Total (A + B + C) | 12440 | 17775 | 24025 |
| | (% Growth) | (38.68) | (42.89) | (35.16) |
| Average Exchange Rate 1US$I | | 37.50 | 41.50 | 43.00 |

**Target Set for Software Export**

3349. SHRI PREM CHAND GUPTA: Will the Minister of INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that India is targeting an export of 60 billion dollars worth of software in the next few years consolidating its position as the leading global player in software export;

(b) whether in order to achieve this target, an expanding share will havae to come from exports of software, electronic goods and services; and

(c) if so, when it is hoped to achieve the target and what steps Government are taking to promote this industry?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF INFORMATION TECHNOLOGY (SHRI PRAMOD MAHAJAN): (a) to (c) The Government has an export target of US $ 50 billion of software export and US $ 10 billion of hardware export. The details of incentives provided to promote the IT industry is given in the Statement (*See* below).

**Statement**

*Incentives to IT Sector*

To encourage and promote information technology business abroad, the Government of India has abolished licensing and simplified the procedures to make them transparent. The following major steps have been taken to promote export of IT Sector.

1. To provide legal framework so as to facilitate Electronic Commerce in the country, the Government has drafted Information Technology Act. The Act provides legal framework for amongst others recognition of electronic contracts, prevention of computer crimes, and electronic filing/documents. The mechanism of digital signature has been approved to address the issues of jurisdiction, authentication and origination.
2. Export Promotion Capital Goods (EPCG) Scheme at 5% duty.
3. Foreign direct Investments up to 100% allowed.
4. Software Technology Parks Scheme.
5. Special Stock Option Schemes for Indian Software Companies linked with ADR/GDR offering.
6. Working Capital Finance to Information Technology and Software indusrty.
7. Sweat Equity has been introduced in the Companies Act.
8. Domestic Tariff Area (DTA) access up to 50% of FOB value of exports for units under Export Oriented Unit (EOU)/Export Processing Zone (EPZ)/ Software Technology Parks (STP) Scheme.

9. Depreciation on Computer @60% per annum.

10. Reduction in Custom Duty on computer and peripherars to 15%. The customs duty on all storagae devices, integrated circuits, microprocessors, data display tubes and deflection components of colour monitors is @0%.

11. Software exempted from custom duty and excise duty.

12. Relaxation in income tax to software units under EOU/EPZ/STP Schemes.

13. Exemption of withholding tax on interest on External Commercial Borrowings.

14. Computer systems have been made freely importable. The donation of used computers to educational institutes. hospitals etc. have been permitted duty free from units in EOU/EPZ/STP/ Electronics Hardware Technology Park (EHTP)

15. Exemption on income from dividends on Venture Capital Fund.

16. "Business Support Centre" has been opened in "Silicon Valley" California, USA to assist small & medium enterprises in establishing strategic alliance in the US.

**Increasing unemployment**

†3350. SHRI BACHANI LEKHRAJ: Will the Minister of LABOUR be pleased to state:

(a) whether it is a fact that the number of unemployed persons registered in various Employment Exchanges is increasing constantly in the country;

(b) if so, whether Government are considering to formulate any scheme for providing employment to such persons; and

(c) if so, the outline of the scheme and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI MUNI LALL): (a) Yes, Sir.

(b) and (c) Employment Exchanges only sponsor the candidates against the vacancies notified to them by the employers. They do not operate any

†Original notice of the question was received in Hindi.